

BEFORE THE ETHICS COMMISSION
FOR THE STATE OF TENNESSEE
AT NASHVILLE

IN RE: Committee on Compensation)
and Retirement,)
Respondent.)
)
)
)

No. 2008-95

CONDITIONAL ASSESSMENT ORDER

This matter came on to be heard informally by the Commission on November 25, 2008 at its regularly scheduled meetings. Commission staff presented documentation indicating that Respondent failed to timely pay employer registration fees as required by Tenn. Code Ann. § 3-6-302(e).

FINDINGS OF FACT

Documentation on file with the Commission shows, and the Commission finds, as follows:

1. Registration. Respondent Committee on Compensation and Retirement, registered as an employer of a lobbyist on June 13, 2008. Committee on Compensation and Retirement retains one (1) lobbyist.
2. Employer Registration Fee. Committee on Compensation and Retirement had a duty under the Tennessee Comprehensive Governmental Ethics Reform Act of 2006 ("Act") to pay an employer registration fee for each of its lobbyists retained no later than thirty days from registering.
 - a. As of July 19, 2008, Committee on Compensation and Retirement had not paid its employer registration fees.
 - b. On August 7, 2008 and August 22, 2008 respectively, emails were sent to Committee on Compensation and Retirement informing it of its failure to pay and the possible results of this action.
3. Notice of violation. On August 27, 2008, the Commission sent Committee on Compensation and Retirement by certified mail, return receipt requested, a notice that the Commission intended to consider at its October 28, 2008 meeting assessment of civil penalties against Committee on Compensation and Retirement for failure to timely pay employer registration fees required by Tenn. Code Ann. § 3-6-302(e).
 - a. The notice set forth the allegation, the maximum amount of civil penalties that could be assessed, the date, place, and time of the meeting, and provided the

Committee on Compensation and Retirement's opportunity to participate in an informal proceeding at the meeting either by appearing personally or by submitting a sworn statement and documents.

- b. In response to the notice, Committee on Compensation and Retirement paid its registration fees on September 11, 2008.

4. Show Cause Hearing.

- a. On September 11, 2008, Committee on Compensation and Retirement filed with the Commission a written response stating that failure to pay was inadvertent and indicated they will make sure that payment is submitted in a timely fashion in the future.

CONCLUSIONS OF LAW

The Commission concludes that Committee on Compensation and Retirement had an obligation under the Act to timely pay employer registration fees required by Tenn. Code Ann. § 3-6-302(e), failed to do so and had no "good cause" for such failure to timely pay. The Act authorizes the Commission to administratively assess civil penalties in an amount up to seven hundred fifty dollars (\$750.00) per violation, if an employer fails to timely pay, without good cause. Tenn. Code Ann. § 3-6-306 (a)(1)(iii).

The Commission considers the complete failure to respond to the warning and notice concerning the failure to timely pay to be significant. The Commission has taken steps through training, website postings, and notices to help employers of lobbyist to come into compliance with the Act. More than a year and a half has passed since the filing requirements of the Act became effective. The Commission finds that the Committee on Compensation and Retirement did promptly pay its fees upon receipt of the Show Cause Notice and also submitted a written and sworn response explaining that failure to pay was inadvertent and indicated intent to timely submit the fee payment in the future. Accordingly, the Commission finds that Committee on Compensation and Retirement should be assessed a civil penalty of four hundred dollars (\$400.00).

This assessment cannot become final until after respondent has been afforded an opportunity for a notice and a hearing. Tenn. Code Ann. § 3-6-107(8). Respondent's failure to participate in the informal assessment process is without prejudice to its rights to a contested case hearing under the Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-101—4-5-325.

CONDITIONAL ORDER

It is therefore ORDERED that a civil penalty in the amount of four hundred dollars (\$400.00) is assessed against Committee on Compensation and Retirement for failure to timely pay employer registration fees.

It is further ORDERED that the Executive Director shall issue this order and file it in the Commission's offices.

It is FURTHER ORDERED that this order shall not become final if respondent files a timely request for reconsideration of petition for a contested case hearing.

It is further ORDERED that the Executive Director shall cause to be provided to the respondent, by either personal service, certified mail return receipt requested, or overnight delivery, a copy of this order, and notice of the following:

Respondent's right to seek reconsideration of this order by filing with the Commission, within fourteen (14) days of this order, a written request for reconsideration in the form set forth in the notice;

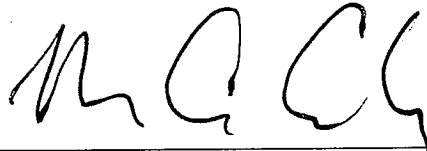
Respondent's right to initiate a contested case proceeding by filing with the Commission, within thirty (30) days of this order, a petition for a contested case hearing in the form set forth in the notice; and

That in the event of failure to timely file a request for reconsideration or a petition for a contested case hearing the order shall become final and may form the basis for legal action to collect the civil penalty.

SO ORDERED.

Issued this 3rd day of December, 2008

TENNESSEE ETHICS COMMISSION

A handwritten signature in black ink, appearing to read 'M A C C', is written over a horizontal line.

By:

Bruce A. Androphy,
Executive Director